

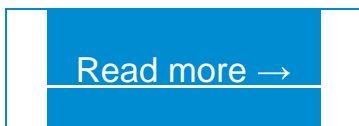


## I have the money! How do I get forgiveness?

It is the next natural question, right? If you are a business lucky enough to have been approved by the Small Business Administration (SBA) for a loan from the Paycheck Protection Program, you have likely received the proceeds of the loan or will within the next few days. One of the features that made the loans so popular is the forgiveness feature. So, now that you have the money, what should you do to maximize the amount of forgiveness? There are five things to keep foremost in mind:

1. Only spend the loan proceeds on *forgivable* uses;
2. Spend the loan proceeds within the "covered period";
3. Spend at least 75% of the loan proceeds on payroll costs;
4. By June 30, 2020, any reductions in full-time equivalents (FTEs) and/or salaries and wages of eligible employees made between February 15, 2020 and April 26, 2020, must be restored to pre-February 15, 2020 levels.
5. Maintain documentation to support the spending of the proceeds, average FTEs, and salary and wage levels.

**Note: Guidance on the calculation of the forgiveness of loans made under the Program is minimal. That limited guidance forms the basis of this article. The SBA should issue additional guidance at any time. The guidance issued by the SBA could vary significantly from the information here. To obtain the latest information related to the Program, click here <https://home.treasury.gov/policy-issues/cares/assistance-for-small-businesses>, and look for an "Interim Final Rule" addressing forgiveness, and check for updates to Frequently Asked Questions.**



**Questions?**

Reach out to your Dean Dorton advisor, other professional advisor or email us at:

[info@deandorton.com](mailto:info@deandorton.com)